GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1230
ANSWERED ON:02.03.2001
PUBLIC FINANCIAL INSTITUTIONS
V. SAROJA

Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to amend the Public Financial Institutions(Obligation as to Fidelity and Secrecy) Act,1983 and Companies Act, 1956 with a view to maintain uniformity in the definitions of Public Financial Institutions;

(b) if so. the details thereof; and

(c) if not, the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATH):

(a) to (c) The Public Financial Institutions (PFIs) (Obligation as to Fidelity and Secrecy) Act, 1983 provide for obligations of PFIs as to fidelity and secrecy and it prohibits PFIfrom divulging any information relating to, or to the affairs of, its constituents. The definition of PFIs under the said Act does not include all the institutions named as suchunder the Companies Act 1956. Ordinarily a definition in the Act is relevant for the interpretation and understanding of the terms used in that enactment. The matter concerning common definition would require further examination and consultation and as such there is no consensus/decision at this stage to amend the said Acts.